

## Frequently asked questions about the budget process

### What is a fiscal year?

The federal government operates its budget on a fiscal year that starts on October 1st and continues through September 30 of the next year. For example, Fiscal Year (FY) 2000 will start on October 1, 1999 and runs through September 30, 2000.

### What are Budget Justifications?

This document represents the Bureau of Land Management's (BLM) request for funds as part of the overall President's Budget. The request has been approved by both the Department of the Interior and the Office of Management and Budget (OMB). It details how the funds are proposed to be spent and what performance the public can expect from expending the funds. The Justifications are prepared for the use of the House and Senate Appropriations Committees and must be organized according to their format requirements. Each bureau in the Department of the Interior prepares a similar document.

### Why do the Justifications have so many sections and pieces?

The BLM is required to present a justification of funding needs for each appropriation account for which money is provided by the Congress. Because of the nature of BLM's work, we have about 10 major operating appropriations accounts plus a number of additional smaller accounts for which the BLM receives funds. The types and numbers of accounts has evolved over time as program emphasis changed. The BLM is also the fund manager for several Department-wide accounts including Wildland Fire Management and the Central Hazardous Materials Fund. Funds in these accounts are appropriated to the BLM and then allocated, by the BLM, to the other Department of the Interior Bureaus that also have these programs. The General Statement section at the front of the Justifications provides an overview of the budget priorities and the major trends for the fiscal year.

### What is an "FTE"?

The term "FTE" stands for full-time equivalents. It is a unit that the Federal government uses to measure labor. It generally means the amount of time for one person working for one year. However, it can also mean the equivalent time, for example, of two people each working for half of a year, or four people each working a quarter of a year.

## Who uses the Budget Justifications?

Generally, they are used by the Executive Branch agencies, such as BLM, to explain to members and staffs of the House and Senate Appropriations Committees in detail how the funds requested in the President's Budget for that agency will be used. After receiving the budget justifications, the Subcommittees on Interior and Related Agencies Appropriations hold hearings on the various agency budget requests. Usually, there is a hearing with the Secretary of the Interior that focuses on major policy themes and administration initiatives proposed for the coming fiscal year. After the Secretary's hearing, other hearings are usually held with the head of each bureau (e.g., the BLM Director). There also can be hearings where representatives of interested non-Federal organizations and public interest groups are invited to present their views on the budget requests to the Congress. The Senate Subcommittee may elect not to schedule a hearing on every bureau's budget request.

## What happens after the hearings are done?

Based on the information from the hearings (and other written input such as the Budget Justifications and responses to questions from the Subcommittee members and staff by the Bureau), the House Subcommittee drafts an appropriations bill for the Department of the Interior and Related Agencies. This is one of 13 bills that provide funding to the Federal Government's departments and agencies. This specific bill provides funds for the Department of the Interior and its Bureaus, including the BLM, to operate in the next fiscal year. The Subcommittee also drafts an explanatory Report to accompany the Bill, which provides the rationale for the Subcommittee's proposals (or "mark-up", as it is often called). This bill is subject to a vote by the Subcommittee, the full Appropriations Committee, and finally the whole House. The bill may be changed (amended) at any stage of this process. Once the House has approved its version of the appropriations bill, it is sent to the Senate for a similar process, and the Senate passes its version of the appropriations bill.

## What happens if the Senate and House versions of the bill are different?

It is not unusual for the two proposed bills to have differences. To resolve these differences, a Conference Committee is formed. This Committee consists of representatives from both the House and Senate Committees. They negotiate until an agreement is reached on a single version of the proposed bill. The Conference Committee also prepares an explanatory report to accompany the revised version of the Bill. At that point, the same version of the bill needs to be approved again by both the House and Senate.

What happens then?

Once the bill is approved by both bodies of the Congress, the resulting “enrolled bill” is sent to the President for action. Generally, the President can either sign it, enacting it into law, or refuse to sign it, vetoing the bill. If the President veto’s the bill, the veto can be overridden by a two-thirds majority vote of both the Senate and the House. If the override fails, the process begins again.

What are the timeframes when all of this happens?

Since the Congress provides funds to operate on a fiscal year basis, all action should ideally be completed by September 30<sup>th</sup> each year for the next fiscal year. Generally the time frames are that the President's budget is released in early February, House hearings are held in March and April, Senate hearings in April and May; House floor action in early summer, Senate floor action in mid-summer, and conference agreement in September.